

Executive Summary – Enforcement Matter – Case No. 51825
Ascend Performance Materials Texas Inc.
RN100238682
Docket No. 2016-0155-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Ascend Performance Materials Chocolate Bayou Plant, located eight miles south from the intersection of Highway 35 and Farm-to-Market Road 2917, Alvin, Brazoria County

Type of Operation:

Chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: June 3, 2016

Comments Received: No

Penalty Information

Total Penalty Assessed: \$13,125

Amount Deferred for Expedited Settlement: \$2,625

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$5,250

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$5,250

Name of SEP: Houston-Galveston Area Council-AERCO (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

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Ascend Performance Materials Texas Inc.
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Docket No. 2016-0155-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: September 28, 2015 through October 10, 2015

Date(s) of NOE(s): January 28, 2016

Violation Information

Failed to prevent unauthorized emissions. Specifically, the Respondent released 8,678 pounds ("lbs") of acrylonitrile ("AN"), 2,374 lbs of hydrogen cyanide, 74 lbs of acetonitrile, 40 lbs of acrolein, 973 lbs of carbon monoxide, 98 lbs of propylene, 120 lbs of methanol, 17 lbs of ammonia, and 475 lbs of volatile organic compounds during maintenance, startup, and shutdown ("MSS") activities of the AN-2 Unit Emission Point Number ("EPN") 30-T-MSS, during an emissions event (Incident No. 218858) that began on August 12, 2015 and lasted 47 hours and 55 minutes. The event occurred due to an open bleed line during startup. Since this emissions event could have been prevented by better maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O2164, Special Terms and Conditions No. 16 and General Terms and Conditions, and New Source Review Permit Nos. 18251 and N011, Special Conditions No. 1].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. On August 13, 2015, shutdown the AN-2 Unit EPN 30-T-MSS and installed a blind flange on the open bleed line; and
- b. On September 13, 2015, conducted additional training on the causes of the event, the consequences, and the importance of following procedures.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Executive Summary – Enforcement Matter – Case No. 51825
Ascend Performance Materials Texas Inc.
RN100238682
Docket No. 2016-0155-AIR-E

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Raime Hayes-Falero, Enforcement Division, Enforcement Team 5, MC R-12, (713) 767-3567; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548
TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565
Respondent: Paul Cartlidge, Senior Director of Operations, Ascend Performance Materials Texas Inc., P.O. Box 711, Alvin, Texas 77512-0711
Respondent's Attorney: N/A

Attachment A
Docket Number: 2016-0155-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

| | |
|--|--|
| Respondent: | Ascend Performance Materials Texas Inc. |
| Penalty Amount: | Ten Thousand Five Hundred Dollars (\$10,500) |
| SEP Offset Amount: | Five Thousand Two Hundred Fifty Dollars (\$5,250) |
| Type of SEP: | Contribution to a Third-Party Pre-Approved SEP |
| Third-Party Administrator: | Houston-Galveston Area Council-AERCO |
| Project Name: | <i>Clean Vehicles Partnership Project</i> |
| <u>Location of SEP:</u> Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties | |

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency ("EPA") emissions standards ("Old Buses") with new, lower emission buses that meet the most recent EPA emissions standards ("New Buses") or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities ("SEP Administrators") that apply for replacement, retrofit, or conversion of buses.

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for

installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston-Galveston Area Council-AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Ascend Performance Materials Texas Inc.
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES

Assigned PCW

1-Feb-2016
2-Feb-2016

Screening

2-Feb-2016

EPA Due

RESPONDENT/FACILITY INFORMATION

Respondent Ascend Performance Materials Texas Inc.
Reg. Ent. Ref. No. RN100238682
Facility/Site Region 12-Houston **Major/Minor Source** Major

CASE INFORMATION

Enf./Case ID No. 51825 **No. of Violations** 1
Docket No. 2016-0155-AIR-E **Order Type** 1660
Media Program(s) Air **Government/Non-Profit** No
Multi-Media **Enf. Coordinator** Jennifer Nguyen
EC's Team Enforcement Team 5

Admin. Penalty \$ Limit Minimum

\$0

Maximum

\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)

Subtotal 1 \$7,500

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History 100.0% **Adjustment** **Subtotals 2, 3, & 7** \$7,500

Notes

Enhancement for four NOV's with same or similar violations, two NOV's with dissimilar violations, six orders with denial of liability, and four orders without denial of liability. Reduction for six notices of intent to conduct an audit and three disclosures of violations.

Culpability

No

0.0%

Enhancement

Subtotal 4 \$0

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments

Subtotal 5 -\$1,875

Economic Benefit

Total EB Amounts \$22
Estimated Cost of Compliance \$5,000

0.0% Enhancement*

*Capped at the Total EB \$ Amount

Subtotal 6 \$0

SUM OF SUBTOTALS 1-7

Final Subtotal \$13,125

OTHER FACTORS AS JUSTICE MAY REQUIRE

0.0%

Adjustment \$0

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount \$13,125

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty \$13,125

DEFERRAL

20.0%

Reduction

Adjustment -\$2,625

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

\$10,500

Screening Date 2-Feb-2016

Docket No. 2016-0155-AIR-E

PCW

Respondent Ascend Performance Materials Texas Inc.

Policy Revision 4 (April 2014)

Case ID No. 51825

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100238682

Media [Statute] Air

Enf. Coordinator Jennifer Nguyen

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

| Component | Number of... | Enter Number Here | Adjust. |
|-------------------------------|--|-------------------|---------|
| NOVs | Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>) | 4 | 20% |
| | Other written NOVs | 2 | 4% |
| Orders | Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>) | 6 | 120% |
| | Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission | 4 | 100% |
| Judgments and Consent Decrees | Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>) | 0 | 0% |
| | Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government | 0 | 0% |
| Convictions | Any criminal convictions of this state or the federal government (<i>number of counts</i>) | 0 | 0% |
| Emissions | Chronic excessive emissions events (<i>number of events</i>) | 0 | 0% |
| Audits | Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>) | 6 | -6% |
| | Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>) | 3 | -6% |
| Please Enter Yes or No | | | |
| Other | Environmental management systems in place for one year or more | No | 0% |
| | Voluntary on-site compliance assessments conducted by the executive director under a special assistance program | No | 0% |
| | Participation in a voluntary pollution reduction program | No | 0% |
| | Early compliance with, or offer of a product that meets future state or federal government environmental requirements | No | 0% |

Adjustment Percentage (Subtotal 2) 232%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for four NOVs with same or similar violations, two NOVs with dissimilar violations, six orders with denial of liability, and four orders without denial of liability. Reduction for six notices of intent to conduct an audit and three disclosures of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 232%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 2-Feb-2016

Docket No. 2016-0155-AIR-E

PCW

Respondent Ascend Performance Materials Texas Inc.

Policy Revision 4 (April 2014)

Case ID No. 51825

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100238682

Media [Statute] Air

Enf. Coordinator Jennifer Nguyen

Violation Number 1

Rule Cite(s) 30. Tex. Admin. Code §§ 116.115(b)(2)(F) and (c) and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit No. 02164, Special Terms and Conditions No. 16 and General Terms and Conditions, and New Source Review Permit Nos. 18251 and N011, Special Conditions No. 1

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 8,678 pounds ("lbs") of acrylonitrile ("AN"), 2,374 lbs of hydrogen cyanide, 74 lbs of acetonitrile, 40 lbs of acrolein, 973 lbs of carbon monoxide, 98 lbs of propylene, 120 lbs of methanol, 17 lbs of ammonia, and 475 lbs of volatile organic compounds during maintenance, startup, and shutdown ("MSS") activities of the AN-2 Unit, Emission Point Number 30-T-MSS, during an emissions event (Incident No. 218858) that began on August 12, 2015 and lasted 47 hours and 55 minutes. The event occurred due to an open bleed line during startup. Since this emissions event could have been prevented by better maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

| Release | Harm | | |
|-----------|-------|----------|-------|
| | Major | Moderate | Minor |
| Actual | | X | |
| Potential | | | |

Percent 30.0%

>> Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
| | | | |

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to significant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1

2 Number of violation days

| | | |
|-------------------------|--------------|---|
| mark only one with an x | daily | |
| | weekly | |
| | monthly | X |
| | quarterly | |
| | semiannual | |
| | annual | |
| | single event | |

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$1,875

| | Before NOE/NOV | NOE/NOV to EDPRP/Settlement Offer |
|---------------|----------------|-----------------------------------|
| Extraordinary | | |
| Ordinary | X | |
| N/A | | (mark with x) |

Notes

The Respondent completed corrective measures on September 13, 2015, before the January 28, 2016 Notice of Enforcement.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation**Statutory Limit Test**

Estimated EB Amount \$22

Violation Final Penalty Total \$13,125

This violation Final Assessed Penalty (adjusted for limits) \$13,125

Economic Benefit Worksheet

Respondent Ascend Performance Materials Texas Inc.

Case ID No. 51825

Reg. Ent. Reference No. RN100238682

Media Air

Violation No. 1

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0 | 15 |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|

No commas or \$

Delayed Costs

| | | | | | | | |
|--------------------------|---------|-------------|-------------|------|------|-----|------|
| Equipment | | | | 0.00 | \$0 | \$0 | \$0 |
| Buildings | | | | 0.00 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.00 | \$0 | \$0 | \$0 |
| Engineering/Construction | | | | 0.00 | \$0 | \$0 | \$0 |
| Land | | | | 0.00 | \$0 | n/a | \$0 |
| Record Keeping System | | | | 0.00 | \$0 | n/a | \$0 |
| Training/Sampling | | | | 0.00 | \$0 | n/a | \$0 |
| Remediation/Disposal | | | | 0.00 | \$0 | n/a | \$0 |
| Permit Costs | | | | 0.00 | \$0 | n/a | \$0 |
| Other (as needed) | \$5,000 | 12-Aug-2015 | 13-Sep-2015 | 0.09 | \$22 | n/a | \$22 |

Notes for DELAYED costs

Estimated cost to shutdown and installed a blind flange on the open bleed line and conduct additional training to prevent the recurrence of emissions events due to the same causes as Incident No. 218858. The Date Required is the date the emissions event began. The Final Date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

| | | | | | | | |
|-------------------------------|--|--|--|------|-----|-----|-----|
| Disposal | | | | 0.00 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.00 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.00 | \$0 | \$0 | \$0 |
| Supplies/Equipment | | | | 0.00 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.00 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | | | | 0.00 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.00 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$22

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN604255158, RN100238682, Rating Year 2015 which includes Compliance History (CH) components from September 1, 2010, through August 31, 2015.

| | | | | | |
|---|---|-------------------------|--------------|----------------|-------|
| Customer, Respondent, or Owner/Operator: | CN604255158, Ascend Performance Materials Texas Inc. | Classification: | SATISFACTORY | Rating: | 11.34 |
| Regulated Entity: | RN100238682, ASCEND PERFORMANCE MATERIALS CHOCOLATE BAYOU PLANT | Classification: | SATISFACTORY | Rating: | 11.34 |
| Complexity Points: | 65 | Repeat Violator: | NO | | |
| CH Group: | 05 - Chemical Manufacturing | | | | |
| Location: | LOCATED EIGHT MILES SOUTH FROM THE INTERSECTION OF HIGHWAY 35 AND FARM-TO-MARKET ROAD 2917 IN ALVIN, BRAZORIA COUNTY, TEXAS | | | | |
| TCEQ Region: | REGION 12 - HOUSTON | | | | |

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER BL0038U
AIR OPERATING PERMITS PERMIT 2318
AIR OPERATING PERMITS PERMIT 2322
AIR OPERATING PERMITS PERMIT 2324
AIR OPERATING PERMITS PERMIT 2260
AIR OPERATING PERMITS PERMIT 2261

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD001700806

POLLUTION PREVENTION PLANNING ID NUMBER P00445

WASTEWATER PERMIT WQ0000001000

AIR NEW SOURCE PERMITS PERMIT 2271

AIR NEW SOURCE PERMITS PERMIT 18251

AIR NEW SOURCE PERMITS PERMIT 32151

AIR NEW SOURCE PERMITS PERMIT 38336

AIR NEW SOURCE PERMITS PERMIT 39171

AIR NEW SOURCE PERMITS ACCOUNT NUMBER BL0038U

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX910

AIR NEW SOURCE PERMITS REGISTRATION 74040

AIR NEW SOURCE PERMITS REGISTRATION 77064

AIR NEW SOURCE PERMITS REGISTRATION 78148

AIR NEW SOURCE PERMITS REGISTRATION 80616

AIR NEW SOURCE PERMITS REGISTRATION 93222

AIR NEW SOURCE PERMITS REGISTRATION 96655

AIR NEW SOURCE PERMITS PERMIT 19480

AIR NEW SOURCE PERMITS REGISTRATION 136585

UNDERGROUND INJECTION CONTROL PERMIT WDW013

UNDERGROUND INJECTION CONTROL PERMIT WDW318

UNDERGROUND INJECTION CONTROL PERMIT WDW359

IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION # (SWR) 30138

AIR EMISSIONS INVENTORY ACCOUNT NUMBER BL0038U

AIR OPERATING PERMITS PERMIT 1258

AIR OPERATING PERMITS PERMIT 2321

AIR OPERATING PERMITS PERMIT 2323

AIR OPERATING PERMITS PERMIT 2325

AIR OPERATING PERMITS PERMIT 1287

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 30138

INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50189

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 0200049

WASTEWATER EPA ID TX0003875

AIR NEW SOURCE PERMITS PERMIT 5084

AIR NEW SOURCE PERMITS REGISTRATION 28694

AIR NEW SOURCE PERMITS REGISTRATION 34029

AIR NEW SOURCE PERMITS PERMIT 38998

AIR NEW SOURCE PERMITS PERMIT 48895

AIR NEW SOURCE PERMITS AFS NUM 4803900009

AIR NEW SOURCE PERMITS REGISTRATION 72689

AIR NEW SOURCE PERMITS REGISTRATION 73707

AIR NEW SOURCE PERMITS REGISTRATION 77079

AIR NEW SOURCE PERMITS REGISTRATION 80379

AIR NEW SOURCE PERMITS EPA PERMIT N011

AIR NEW SOURCE PERMITS REGISTRATION 94736

AIR NEW SOURCE PERMITS REGISTRATION 101954

AIR NEW SOURCE PERMITS REGISTRATION 132844

RADIOACTIVE WASTE DISPOSAL LICENSE RW0219

UNDERGROUND INJECTION CONTROL PERMIT WDW224

UNDERGROUND INJECTION CONTROL PERMIT WDW326

STORMWATER PERMIT TXR05BQ25

PETROLEUM STORAGE TANK REGISTRATION REGISTRATION 79885

Compliance History Period: September 01, 2010 to August 31, 2015 **Rating Year:** 2015 **Rating Date:** 09/01/2015

Date Compliance History Report Prepared: February 02, 2016

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: February 02, 2011 to February 02, 2016

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Jennifer Nguyen

Phone: (512) 239-6160

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 07/31/2011 ADMINORDER 2009-1997-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 115, SubChapter H 115.722(c)(2)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to prevent unauthorized emissions from Emission Point Number 70Z40.
Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)
5C THSC Chapter 382 382.085(b)
Description: Failed to properly report the July 19, 2009 emissions event,
Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: FOP O-02325, GT&C OP
Description: Failed to submit complete and accurate semi-annual deviation reports for the June 1, 2008 through November 30, 2008 and December 1, 2008 through May 31, 2009 reporting periods.
Classification: Major
Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)
30 TAC Chapter 116, SubChapter H 116.770(a)
5C THSC Chapter 382 382.0518(a)
5C THSC Chapter 382 382.085(b)
Description: Failed to obtain proper authorization to operate a previously grandfathered emissions source.
Classification: Moderate
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter C 122.210(a)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: FOP O-02325 STC 19(B) OP
Description: Failed to timely incorporate New Source Review Permit No. 48895 into Federal Operating Permit No. O-02325.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Speical Condition 1 PERMIT
Description: failed to comply with permitted emissions limits during an emissions event from the Acrylnitrile 7 Unit and Acrylonitrile 2 Unit.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT

Description: failed to comply with permitted emissions limits during an emissions event on the Acrylonitrile 2 Unit Product Purification Column pad area.

- 2 Effective Date: 08/13/2011 ADMINORDER 2010-1828-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to prevent unauthorized emissions during Incident No. 142163.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Special Terms & Conditions No. 8 OP
Description: Failed to comply with the combined 2.79 tons per year sulfuric acid mist emission rate for incinerator scrubbers 337H1 and 337H2.
- 3 Effective Date: 08/27/2011 ADMINORDER 2010-0088-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition No. 1 PERMIT
Description: Failure to prevent unauthorized emissions.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition No. 1 PERMIT
Description: Failure to prevent unauthorized emissions.
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Speical Condition 1 PERMIT
Description: Failure to prevent unauthorized emissions.
- 4 Effective Date: 08/27/2011 ADMINORDER 2011-0222-AIR-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: Special Condition 1 PERMIT
Description: Failed to prevent unauthorized emissions during Incident No. 145043. This emissions event was determined to be excessive.
- 5 Effective Date: 04/23/2012 ADMINORDER 2011-1808-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: FOP O1258, ST&C 19 OP
NSR Permit No. 2271, SC 1 PERMIT
Description: Failed to prevent unauthorized emissions of 4,793.00 pounds of ammonia from pressure relief valve PSV-316 during an emissions event (Incident No. 155268) lasting 3 hours and 50 minutes on June 4, 2011.
- 6 Effective Date: 06/08/2012 ADMINORDER 2011-1185-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 113, SubChapter C 113.620
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.10(d)(5)(i)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT EEE 63.1211(a)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP 02321 OP

Description: Failed to submit the Hazardous Waste Combustion MACT reports within 30 days of the end of each semiannual period. Specifically, the reports for the periods of January 1, 2009 through June 30, 2009 and July 1, 2009 through December 31, 2009 were submitted under one cover letter on August 6, 2010.

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP 02321, GT&C OP
FOP 02321, ST&C 3.B.iv.3. OP

Description: Failed to record all quarterly visible emissions observations for Heaters 30H1, 31H1-1, and 31H1-2.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP 02321, ST&C 1.A. OP
FOP 02321, ST&C 18 OP
NSR Permit Nos. 18251 and N-011, SC 19.E PERMIT

Description: Failed to operate the flare flow meter for the AN2 flare, EPN 30Z7, at least 95% of the total hours of operation in 2009. The flow meter was obstructed from June 28, 2009 through November 11, 2009, resulting in a total downtime of 3,556 hours for the year, which is 59.4% of the hours of operation in 2009.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter B 115.126(1)(B)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP 02321, ST&C 1.A. OP
FOP 02321, TT&C 18 OP
NSR Permit Nos. 18251 and N-011, SC 3 PERMIT
NSR Permit Nos. 18251 and N-011, SC 5 PERMIT

Description: Failed to maintain the net heating value of two flares (EPNs 30Z7 and 31Z4) above 300 Btu/scf for a total of nine hours between October 7, 2009 and April 27, 2010 (see table below).

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP 02321, GT&C OP
General Terms and Conditions OP

Description: Failed to report all deviations in the semiannual deviation reports. A total of 9 open-ended lines were discovered from January 12 through 15, 2009. These open-ended lines should have been reported in the deviation report due by June 30, 2009; however, they were never reported. Additionally, the Respondent failed to report the late submittal of Hazardous Waste Combustor MACT semiannual reports in the above-referenced report and in the reports due by December 30, 2009 and June 30, 2010.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)
30 TAC Chapter 115, SubChapter H 115.783(5)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(2)
40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.167(a)(2)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP 02321, ST&C 1.A. OP
FOP 02321, ST&C 18 PERMIT
NSR Permit Nos. 18251 and N-011, SC 13.E PERMIT
NSR Permit Nos. 18251 and N-011, SC 15.E PERMIT
NSR Permit Nos. 18251 and N-011, SC 3.A. PERMIT
NSR Permit Nos. 18251 and N-011, SC5 PERMIT

Description: Failed to plug or cap an open-ended line which was discovered on October 15, 2010. The open-ended line was in hazardous air pollutant service and in highly-reactive volatile organic compound ("HRVOC") service. The

Respondent capped the open-ended line on the day they were discovered.

Classification: Moderate

Citation: 30 TAC Chapter 117, SubChapter B 117.335(e)
30 TAC Chapter 117, SubChapter H 117.9020(2)(C)(i)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP 02321, ST&C 1.A. OP

FOP 02321, ST&C 21 OP

Description: Failed to conduct a stack test of the second start-up heater (EPN 31H1-2) for the AN3 unit.

Classification: Moderate

Citation: 30 TAC Chapter 115, SubChapter H 115.781(b)(3)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: FOP 02321, ST&C 1.A. OP

Description: Failed to quarterly monitor caps, plugs, and blind flanges in HRVOC service. The AN2 and AN3 units have a combined 414 potential open ends (caps, plugs, and blind flanges) in HRVOC service. These components were listed in the Plant's database as exempt from monitoring in error, and were not monitored from the second quarter of 2009 until the fourth quarter of 2010.

7 Effective Date: 06/22/2012 ADMINORDER 2011-2133-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Special Term & Condition 18 OP

Special Terms & Conditions No. 17 OP

Description: Failed to prevent unauthorized emissions during an event on July 24, 2011 (Incident No. 157167). Specifically, the Respondent released 1,198.19 pounds of acrylonitrile, 177.56 lbs of hydrogen cyanide, 15.20 lbs of ammonia, and 39 lbs of carbon monoxide from the Acrylonitrile Unit 2 Flare, Acrylonitrile Unit 2 Waste Heat Boiler, Acrylonitrile Unit 3 Waste Heat Boiler, Purification Flush Tank Scubber, and Waste Heat Boiler during the 10 hour 24 minute event.

8 Effective Date: 11/11/2012 ADMINORDER 2012-0707-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Special Terms and Conditions No. 19 OP

Description: Failed to prevent unauthorized emissions during an excessive emissions event on October 1, 2011 (Incident No. 159929). Specifically, the Respondent released 17,683.29 pounds ("lbs") of acrylonitrile, 3,495.90 lbs of hydrogen cyanide, and 1,988.98 lbs of volatile organic compounds, including 851.64 lbs of acetonitrile, 14.59 lbs of acrolein, and 1,122.75 lbs of fumaronitrile, from Cooling Tower No. 6 (Emission Point No. 70382E6) during the 20 hour 8 minute event.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
5C THSC Chapter 382 382.085(b)

Description: Failed to submit an initial notification for Incident No. 159929 not later than 24 hours after the discovery of an emissions event. Specifically, the initial notification was due by 5:00 a.m. on October 3, 2011 but was not submitted until 8:54 a.m., over 24 hours after the incident was discovered.

9 Effective Date: 03/06/2014 ADMINORDER 2012-1543-AIR-E (Findings Order-Agreed Order Without Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions. Specifically, Ascend failed to prevent an avoidable heat exchanger leak. (Category A8(c)(2)(A)(ii))

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions. Category A12.i(6).

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions. Specifically, Ascend failed to prevent an avoidable heat exchanger tube leak which resulted in the release of unauthorized emissions from Cooling Tower No. 6 (CT6). (Category A8(c)(2)(A)(ii))

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

30 TAC Chapter 122, SubChapter B 122.145(2)(A)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP

Description: Failure to report all instances of deviations within the required timeframe.

Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.10(d)(5)(i)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Conditions 5 PERMIT

Special Terms & Conditions 1(A), 18 OP

Description: Failure to submit a startup, shutdown, and malfunction report within required timeframe.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(2)

30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.10(e)(3)(v)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Conditions 5 PERMIT

Special Terms & Conditions 1(A), 18 OP

Description: Failure to submit the excess emissions and monitoring system performance report within required timeframe.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: ST&C 3(A)(iv)(1), 3(B)(iv)(1) OP

Description: Failure to perform quarterly visible emission observations for 331SWTREAT and 31T38.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)

30 TAC Chapter 101, SubChapter A 101.20(2)

30 TAC Chapter 115, SubChapter B 115.126(1)(B)

30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.18(c)(3)(ii)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.11(b)(6)(ii)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Conditions 5, 19A PERMIT

Special Terms & Conditions 1(A) OP

Description: Failure to maintain flares 30Z7 and 31Z4 net heating value above 300 BTU/scf.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: 18251 PERMIT

Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event (Category A(8)(c)(2)(A)(ii)). Failed to prevent unauthorized emissions during an excessive emissions event that occurred on 9-1-12. 13,209.79 lbs of AN, 1,068.02 lbs of carbon monoxide, 92.59 lbs of ACN, 544.98 lbs of propane, 75.09 lbs of propylene, and 96.72 lbs of hydrogen cyanide were released from the Acrylonitrile Unit 2 Waste Heat Boiler ("WHB") EPN 30H5.

10 Effective Date: 10/27/2014 ADMINORDER 2014-0308-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)

30 TAC Chapter 116, SubChapter B 116.115(c)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: NSR Permit nos. 18251 and N-011 PERMIT

Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions during an emissions event (Category A12 i.6). Specifically, unauthorized emissions were released during an event that occurred on August 28, 2012 (Incident No. 187401) when animal intrusion in the electrical power insulators led to a loss of power due to a fault of an isolation switch. EPNs AN2, AN3, AN7 were affected by this event.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

| | | |
|---------|--------------------|-----------|
| Item 1 | February 14, 2011 | (909051) |
| Item 2 | February 22, 2011 | (893337) |
| Item 3 | February 28, 2011 | (858031) |
| Item 4 | March 17, 2011 | (902104) |
| Item 5 | March 28, 2011 | (901932) |
| Item 6 | April 07, 2011 | (907947) |
| Item 7 | April 21, 2011 | (924756) |
| Item 8 | April 28, 2011 | (878118) |
| Item 9 | May 12, 2011 | (913615) |
| Item 10 | May 19, 2011 | (937995) |
| Item 11 | May 31, 2011 | (913957) |
| Item 12 | June 09, 2011 | (906472) |
| Item 13 | June 10, 2011 | (913961) |
| Item 14 | June 20, 2011 | (945319) |
| Item 15 | June 23, 2011 | (913963) |
| Item 16 | June 27, 2011 | (913966) |
| Item 17 | July 01, 2011 | (913967) |
| Item 18 | July 14, 2011 | (933988) |
| Item 19 | July 20, 2011 | (952593) |
| Item 20 | August 10, 2011 | (959275) |
| Item 21 | August 16, 2011 | (935315) |
| Item 22 | August 22, 2011 | (936286) |
| Item 23 | August 31, 2011 | (951773) |
| Item 24 | September 19, 2011 | (965307) |
| Item 25 | September 22, 2011 | (956739) |
| Item 26 | October 17, 2011 | (971347) |
| Item 27 | November 10, 2011 | (977507) |
| Item 28 | November 14, 2011 | (957477) |
| Item 29 | December 08, 2011 | (968932) |
| Item 30 | December 09, 2011 | (970199) |
| Item 31 | December 13, 2011 | (984273) |
| Item 32 | December 19, 2011 | (970291) |
| Item 33 | January 16, 2012 | (990575) |
| Item 34 | February 15, 2012 | (997936) |
| Item 35 | February 16, 2012 | (987709) |
| Item 36 | February 24, 2012 | (984020) |
| Item 37 | February 28, 2012 | (987443) |
| Item 38 | March 19, 2012 | (1003459) |
| Item 39 | April 02, 2012 | (994584) |
| Item 40 | April 16, 2012 | (1010023) |
| Item 41 | May 15, 2012 | (1016418) |
| Item 42 | May 24, 2012 | (996478) |
| Item 43 | May 30, 2012 | (1007707) |
| Item 44 | May 31, 2012 | (1007710) |
| Item 45 | June 20, 2012 | (1024138) |
| Item 46 | July 19, 2012 | (1020590) |
| Item 47 | July 24, 2012 | (1007991) |
| Item 48 | August 08, 2012 | (1021735) |
| Item 49 | August 10, 2012 | (1021591) |

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| Item 50 | August 13, 2012 | (1037910) |
| Item 51 | August 29, 2012 | (1015387) |
| Item 52 | September 18, 2012 | (1046636) |
| Item 53 | September 20, 2012 | (1029175) |
| Item 54 | October 23, 2012 | (1060774) |
| Item 55 | October 31, 2012 | (1042245) |
| Item 56 | November 01, 2012 | (1030452) |
| Item 57 | November 26, 2012 | (1060775) |
| Item 58 | November 27, 2012 | (1030977) |
| Item 59 | December 06, 2012 | (1030959) |
| Item 60 | December 12, 2012 | (1042897) |
| Item 61 | December 18, 2012 | (1060776) |
| Item 62 | January 18, 2013 | (1078905) |
| Item 63 | January 25, 2013 | (1053391) |
| Item 64 | January 29, 2013 | (1055119) |
| Item 65 | February 05, 2013 | (1055931) |
| Item 66 | February 08, 2013 | (1050820) |
| Item 67 | February 25, 2013 | (1056184) |
| Item 68 | February 27, 2013 | (1059363) |
| Item 69 | March 05, 2013 | (1009307) |
| Item 70 | March 19, 2013 | (1089276) |
| Item 71 | April 17, 2013 | (1095670) |
| Item 72 | May 16, 2013 | (1106595) |
| Item 73 | June 14, 2013 | (1110271) |
| Item 74 | July 01, 2013 | (1095503) |
| Item 75 | July 16, 2013 | (1117154) |
| Item 76 | July 24, 2013 | (1098642) |
| Item 77 | July 29, 2013 | (1104247) |
| Item 78 | August 14, 2013 | (1124910) |
| Item 79 | August 21, 2013 | (1113411) |
| Item 80 | August 23, 2013 | (1094657) |
| Item 81 | August 27, 2013 | (1114611) |
| Item 82 | September 18, 2013 | (1129511) |
| Item 83 | October 04, 2013 | (1116396) |
| Item 84 | October 14, 2013 | (1135241) |
| Item 85 | October 30, 2013 | (1116182) |
| Item 86 | November 14, 2013 | (1128694) |
| Item 87 | November 15, 2013 | (1140641) |
| Item 88 | November 20, 2013 | (1132556) |
| Item 89 | November 21, 2013 | (1115974) |
| Item 90 | December 02, 2013 | (1093753) |
| Item 91 | December 17, 2013 | (1147098) |
| Item 92 | January 20, 2014 | (1153168) |
| Item 93 | January 28, 2014 | (1144088) |
| Item 94 | February 19, 2014 | (1160503) |
| Item 95 | March 12, 2014 | (1151932) |
| Item 96 | March 18, 2014 | (1156919) |
| Item 97 | March 20, 2014 | (1167148) |
| Item 98 | April 10, 2014 | (1159416) |
| Item 99 | April 17, 2014 | (1174281) |
| Item 100 | May 16, 2014 | (1180469) |
| Item 101 | June 19, 2014 | (1187367) |
| Item 102 | June 30, 2014 | (1177589) |
| Item 103 | July 17, 2014 | (1183921) |
| Item 104 | July 21, 2014 | (1183925) |
| Item 105 | July 24, 2014 | (1166969) |
| Item 106 | August 14, 2014 | (1187133) |
| Item 107 | August 18, 2014 | (1190380) |
| Item 108 | August 19, 2014 | (1198484) |
| Item 109 | August 21, 2014 | (1191106) |

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| Item 110 | September 17, 2014 | (1205772) |
| Item 111 | September 26, 2014 | (1192842) |
| Item 112 | October 08, 2014 | (1192780) |
| Item 113 | October 17, 2014 | (1212184) |
| Item 114 | November 07, 2014 | (1193336) |
| Item 115 | November 14, 2014 | (1218436) |
| Item 116 | November 24, 2014 | (1210222) |
| Item 117 | November 25, 2014 | (1163437) |
| Item 118 | December 17, 2014 | (1209662) |
| Item 119 | January 14, 2015 | (1179436) |
| Item 120 | January 15, 2015 | (1230742) |
| Item 121 | February 13, 2015 | (1242252) |
| Item 122 | February 26, 2015 | (1209311) |
| Item 123 | February 27, 2015 | (1222183) |
| Item 124 | March 13, 2015 | (1229401) |
| Item 125 | March 18, 2015 | (1248581) |
| Item 126 | March 30, 2015 | (1240020) |
| Item 127 | April 10, 2015 | (1227493) |
| Item 128 | April 13, 2015 | (1255481) |
| Item 129 | April 28, 2015 | (1246871) |
| Item 130 | May 06, 2015 | (1223470) |
| Item 131 | May 18, 2015 | (1262191) |
| Item 132 | June 09, 2015 | (1254823) |
| Item 133 | June 11, 2015 | (1245954) |
| Item 134 | June 22, 2015 | (1269360) |
| Item 135 | July 17, 2015 | (1276906) |
| Item 136 | August 17, 2015 | (1193383) |
| Item 137 | August 19, 2015 | (1283083) |
| Item 138 | August 26, 2015 | (1193375) |
| Item 139 | September 03, 2015 | (1274702) |
| Item 140 | September 09, 2015 | (1274178) |
| Item 141 | September 14, 2015 | (1276254) |
| Item 142 | September 15, 2015 | (1259097) |
| Item 143 | September 18, 2015 | (1290223) |
| Item 144 | September 24, 2015 | (1275767) |
| Item 145 | October 14, 2015 | (1228763) |
| Item 146 | October 16, 2015 | (1296426) |
| Item 147 | October 30, 2015 | (1286820) |
| Item 148 | November 19, 2015 | (1301879) |
| Item 149 | November 23, 2015 | (1276074) |
| Item 150 | November 30, 2015 | (1276075) |
| Item 151 | December 17, 2015 | (1229898) |
| Item 152 | December 23, 2015 | (1294281) |
| Item 153 | January 04, 2016 | (1294757) |

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

- | | | | |
|---|--------------|---|--------------------------|
| 1 | Date: | 03/04/2015 (1247938) | CN604255158 |
| | Self Report? | NO | Classification: Moderate |
| | Citation: | 30 TAC Chapter 305, SubChapter F 305.125 V-K PERMIT | |
| | Description: | Closure dead line specified in the permit was not met. | |
| 2 | Date: | 04/29/2015 (1239917) | CN604255158 |
| | Self Report? | NO | Classification: Moderate |
| | Citation: | 30 TAC Chapter 116, SubChapter B 116.115(c) 5C THSC Chapter 382 382.085(b) Special Condition 1 PERMIT | |
| | Description: | Failure to prevent unauthorized emissions during an emissions event (Category B13). | |

- 3 Date: 07/09/2015 (1259092) CN604255158
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Special Condition 1 PERMIT
 Description: Failure to prevent unauthorized emissions during an emissions event. Catgoery B13.
- 4 Date: 08/21/2015 (1254589) CN604255158
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 1 PERMIT
 ST&C 18 OP
 Description: Failed to maintain emission rates under the Maximum Allowable Emission Rate (MAER) limit of CO for Off-Gas Vent Scrubber (EPN: 83S14). (Category B19.g.(1))
 Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 SC 11 PERMIT
 ST&C 18 OP
 Description: Failed to calibrate the temperature monitoring device of off-gas vent scrubber (EPN: 83S14). (Category B1)
- 5 Date: 11/17/2015 (1280269) CN604255158
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 Special Condition 1 PERMIT
 Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event. (Category B14)
- 6 Date: 11/30/2015 (1275789) CN604255158
 Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 115, SubChapter H 115.766(a)(2)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 Special Term and Condition 1A OP
 Description: Did not maintain calibration records for the cooling tower (CT3) flow meter. (Category B3)

F. Environmental audits:

- Notice of Intent Date: 03/16/2011 (914912)
 Disclosure Date: 04/29/2011
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 101, SubChapter A 101.10
 Description: Failed to submit an accurate Air Emissions Inventory. A few deficiencies were noted in the 2009 Air Emission Inventory submitted to the TCEQ.
 Viol. Classification: Moderate
 Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT A 63.6(e)(3)
 Description: Failed to include all process equipment in the existing Startup, Shutdown and Malfunction Plan (SSMP). The SSMP for the cyanide operations does not include the process equipment covered by the miscellaneous organic NESHAP (MON) operations (however, the SSMP currently includes the MON control equipment).
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 122, SubChapter B 122.146
 Description: Failed to submit a complete Permit Compliance Certification report. The PCC reports submitted semiannually did not include in Part 3 of the PCC report which monitoring option has been selected by the Facility for leak detection of the incinerator capture system established in Condition 21 of Permit Nos. 8372 and PSD-TX- 307 A, and Condition 9E of the FOP.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115
 Rqmt Prov: PERMIT NSR Permit No. 8372, Condition 12A
 Description: Failed to have an adequate emergency flare. The "emergency" flare may not meet the minimum heat value required by Condition 12.A of Permit Nos. 8372 and PSD-TX-307A (reference 40 CFR 60.18). Note: emergency flare has never been used in the two plus decades of unit operation.
 Viol. Classification: Moderate
 Citation: 30 TAC Chapter 334, SubChapter F 334.127(b)

Description: A 2,160-gallon aboveground diesel fuel storage tank is not registered.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 331, SubChapter D 331.64(g)(1)

Description: Failed to conduct monitoring. Not consistently conducting quarterly corrosion monitoring for "mass ... cracking, pitting and other signs of corrosion" for deep wells WDW 224 and WDW 326.
Additional Detail: currently quarterly ultrasonic testing and a semi-annual visual inspection of the pulled spool piece are being conducted.

Viol. Classification: Minor

Citation: 30 TAC Chapter 331, SubChapter D 331.66(b)(1)

Description: Waste disposal well WDW 326 was not labeled with the well number.

Notice of Intent Date: 04/30/2012 (1020775)

Disclosure Date: 11/29/2012

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT NSR Permit No. 18251, SC 10

Description: Failed to equip pressure relief valves with proper pressure sensing devices. Certain pressure relief valves in service at AN2/3 are not equipped with proper pressure sensing devices between the valves and rupture discs as specified by the permit.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(b)

Description: Failed to properly represent fugitive emissions in a permit application. Fugitive emissions data in the permit applications for AN2/3 and AN7 are at variance with the component counts and calculations from the field audit.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.10

30 TAC Chapter 101, SubChapter H 101.359(a)

Description: Failed to properly report annual NOx emissions from EPN 55H2 due to an error in calculation methodology.

Viol. Classification: Minor

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.342(g)

40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.343(c)

Description: Failed to properly document visual inspections for DSIDA unit tanks 40T58, 40T2-2, and 40T2-3.

Viol. Classification: Moderate

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.162

Description: Failed to tag, identify, and monitor all formalin lines for fugitive equipment leaks.

Viol. Classification: Minor

Citation: 40 CFR Chapter 63, SubChapter C, PT 63, SubPT F 63.105

Description: Failed to maintain the NTA unit Wastewater Management Plan up to date.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)(4)

Rqmt Prov: PERMIT SC31.C(3)

Description: Failed to equip a AN7 process flare with an analyzer or a procedure for gas enrichment to ensure heating value is greater than 300 BTU/scf.

Viol. Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.110(a)(4)

Rqmt Prov: PERMIT SC 27

PERMIT SC 29

Description: Failed to keep all required records of vacuum truck use and control emissions from vacuum trucks used in MSS activities.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116

Description: Failed to maintain NOx emissions for heaters AN3 31H1 and 31H2 within the represented limits in the PBR according to the October 2007 stack test data.

Notice of Intent Date: 05/14/2012 (1013342)

Disclosure Date: 09/19/2012

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Rqmt Prov: PERMIT NSR 6534, SC 11

Description: Failed to use an approved monitoring device. The Respondent was using Benezé-specific Draeger tubes instead of an FID or Approved Method 21 monitoring device to measure Total VOC emissions on CAS system.

Viol. Classification: Minor

Citation:

30 TAC Chapter 122, SubChapter B 122.143(4)

Description: Failure to report - to include the preceding two Title V deviations in a Title V deviation report.

Notice of Intent Date: 02/07/2014 (1152234)
No DOV Associated

Notice of Intent Date: 02/26/2014 (1158562)
No DOV Associated

Notice of Intent Date: 11/12/2015 (1294217)
No DOV Associated

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
ASCEND PERFORMANCE
MATERIALS TEXAS INC.
RN100238682**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2016-0155-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Ascend Performance Materials Texas Inc. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a chemical manufacturing plant located eight miles south from the intersection of Highway 35 and Farm-to-Market Road 2917 in Alvin, Brazoria County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about February 2, 2016.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirteen Thousand One Hundred Twenty-Five Dollars (\$13,125) is assessed by the Commission in settlement of the violations

alleged in Section II ("Allegations"). The Respondent has paid Five Thousand Two Hundred Fifty Dollars (\$5,250) of the administrative penalty and Two Thousand Six Hundred Twenty-Five Dollars (\$2,625) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Five Thousand Two Hundred Fifty Dollars (\$5,250) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant to prevent the recurrence of emissions events due to the same causes as Incident No. 218858:
 - a. On August 13, 2015, shut down the acrylonitrile ("AN")-2 Unit, Emission Point Number ("EPN") 30-T-MSS, and installed a blind flange on the open bleed line; and
 - b. On September 13, 2015, conducted additional training on the causes of the event, the consequences, and the importance of following procedures.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have:

1. Failed to prevent unauthorized emissions, in violation of 30. TEX. ADMIN. CODE §§ 116.115(b)(2)(F) and (c) and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O2164, Special Terms and Conditions No. 16 and General

Terms and Conditions, and New Source Review Permit Nos. 18251 and No11, Special Conditions No. 1, as documented during a record review conducted from September 28, 2015 through October 10, 2015. Specifically, the Respondent released 8,678 pounds ("lbs") of AN, 2,374 lbs of hydrogen cyanide, 74 lbs of acetonitrile, 40 lbs of acrolein, 973 lbs of carbon monoxide, 98 lbs of propylene, 120 lbs of methanol, 17 lbs of ammonia, and 475 lbs of volatile organic compounds during maintenance, startup, and shutdown activities of the AN-2 Unit, EPN 30-T-MSS, during an emissions event (Incident No. 218858) that began on August 12, 2015 and lasted 47 hours and 55 minutes. The event occurred due to an open bleed line during startup. Since this emissions event could have been prevented by better maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Ascend Performance Materials Texas Inc., Docket No. 2016-0155-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Five Thousand Two Hundred Fifty Dollars (\$5,250), of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God,

war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
8. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date



9/6/16
Date


For the Executive Director

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

4/21/2016
Date

PAUL CARTRIDGE
Name (Printed or typed)
Authorized Representative of
Ascend Performance Materials Texas Inc.

Senior Director of operations
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2016-0155-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

| | |
|--|--|
| Respondent: | Ascend Performance Materials Texas Inc. |
| Penalty Amount: | Ten Thousand Five Hundred Dollars (\$10,500) |
| SEP Offset Amount: | Five Thousand Two Hundred Fifty Dollars (\$5,250) |
| Type of SEP: | Contribution to a Third-Party Pre-Approved SEP |
| Third-Party Administrator: | Houston-Galveston Area Council-AERCO |
| Project Name: | <i>Clean Vehicles Partnership Project</i> |
| <u>Location of SEP:</u> Angelina, Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Hardin, Harris, Houston, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Trinity, Tyler, Walker, Waller, and Wharton Counties | |

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Houston-Galveston Area Council-AERCO** for the *Clean Vehicles Partnership Project*. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to to replace old, higher emission buses that do not meet 2010 Environmental Protection Agency ("EPA") emissions standards ("Old Buses") with new, lower emission buses that meet the most recent EPA emissions standards ("New Buses") or to retrofit or convert Old Buses with emissions reducing equipment. The Third-Party Administrator shall allocate the SEP Offset Amount to public entities such as school districts, local governments, and public transit authorities ("SEP Administrators") that apply for replacement, retrofit, or conversion of buses.

The SEP Offset Amount may also be used for retrofit or conversion technology that brings an Old Bus up to current EPA emissions standards. New Buses may be alternative-fueled. The SEP Offset Amount may be used for up to 100% of the replacement, conversion, or retrofit cost. The SEP Offset Amount will be used only for purchase of New Buses or conversion or retrofit equipment and contract labor for

installation of equipment. The SEP Offset Amount will not be used for financing such a purchase through a lease-purchase or similar agreement.

Retrofitting means reducing exhaust emissions to current standards by installing devices that are verified or certified by the EPA or the California Air Resources Board as proven retrofit technologies. Converting means replacing an engine system with an alternative fuel engine system to bring the Old Bus within the current EPA emissions standards. Buses to be replaced, retrofitted, or converted must be in regular use (driven at least five hundred miles per year for at least the past two years) by the SEP Administrator and must not already be scheduled for replacement in the following twenty-four months. All replaced buses must be fully decommissioned. The Third-Party Administrator shall provide proof of decommissioning to TCEQ for each replaced vehicle by submitting a copy of the TCEQ SEP Vehicle Replacement Disposition Form. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, by replacing a 1989 diesel bus with a 2010 ultra-low emission model, passengers' exposure to nitrogen oxides may be reduced by 98 percent; volatile organic compounds by 93 percent; carbon dioxide by 83 percent; and particulate matter by 99 percent. In addition, by encouraging less bus idling, this SEP contributes to public awareness of air pollution and air quality.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

Ascend Performance Materials Texas Inc.
Agreed Order - Attachment A

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Houston-Galveston Area Council-AERCO SEP** and shall mail the contribution with a copy of the Agreed Order to:

Houston-Galveston Area Council-AERCO
P.O. Box 22777
Houston, Texas 77227-2777

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP; shall make the check payable to "Texas Commission on Environmental Quality"; and shall mail it to:

Ascend Performance Materials Texas Inc.
Agreed Order - Attachment A

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the Project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.